



CHARLES L. BACHRACH  
EXECUTIVE VICE PRESIDENT  
DIRECTOR OF MEDIA RESOURCES AND PROGRAMMING

07-5-7

2007 APR 12 12 3 26

4/9/07

Mr. Hugh Panero  
CEO  
XM Programming Center and Corporate Headquarters  
1500 Eckington Place, NE  
Washington, DC 20002

**RE: 3/5/07 Subscriber letter**

Dear Mr. Panero:

I am in receipt of the above mentioned letter (see *attached*)

As an owner of three XM radios as well as an advertiser on XM, I am intimately aware of your product., but I am also wary of this proposed merger.

First, you state that..."XM will merge with Sirius..." To my knowledge Mr. Martin and his colleagues at the FCC have yet given their approval for this merger, making your letter to subscribers a bit presumptuous to say the least.

Personally and professionally I hope the merger is not allowed. What the public and advertisers don't need is yet *another media monopoly* that only benefits the senior management financially at both companies and **not** the public. Competition is what this country was built upon; thusly some form of competition **should** exist.

If you really wish to do something positive with XM Satellite Radio, please improve the intelligence of the staff in your customer service department who appear to have less than a 4<sup>th</sup> grade education and are wholly unfamiliar with your product. (For example one member of my family was traveling to the Caribbean this past week and called to see if their XM would get reception. Not only did your staff have no clue, they eventually said "yes". of course, that was a guess on their part and the answer turned out to be a resounding NO!)

If you truly are committed to providing the *highest qualify audio entertainment and customer services* then I would suggest you "stay the current course", **don't** merge and

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get your house in order - fast. As **part** of this you might consider better **program** promos as the current creative is not only poorly done, but tired and boring.

Thank you for listening. Maybe it's time to return to the good old days of yesteryear.. .AM!

From the great satellite world beyond, I could be Mork from **Ork** but rather, I'm Charles from Santa Monica.

Regards,

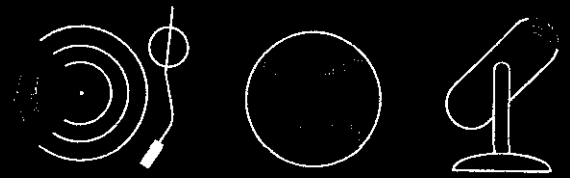
A handwritten signature in black ink that reads "Charles Bachrach". The signature is fluid and cursive, with the first name "Charles" being more prominent than the last name "Bachrach".

Charles Bachrach

xc: FCC

K. Martin  
M. **Copps**  
J. Adlestein  
D. Tate  
R. McDowell

E. Aiken  
J. Bruce  
K. Dicker, Esq.  
L. Dicker, Esq.  
H. Fanelli  
B. Gannen  
M. Nadler



March 5, 2007

**Dear XM Radio Subscriber:**

As you have probably heard, XM recently announced that it will merge with Sirius to form the nation's premier audio entertainment service. The new company will be able to provide you with even more choice and value – a greater range of programming, the best content on radio, and the best radios and technology.

The new company will seek to ensure that in the future, you will be able to access the best of both companies' programming. This means, for example, being able to get the NFL as well as Major League Baseball, and Martha Stewart as well as Oprah & Friends.

Rest assured that any radios or other equipment that you currently use will be fully supported, both before and after we create the new company. In fact, following the merger, we expect that existing radios will be able to receive a mix of programming from both services. There will be no obligation to buy a new radio. And, as always, we will honor all existing multi-year subscription plans.

We expect the merger to be complete in late 2007. After the merger, our new company will be able to offer you an even greater listening experience and be better able to compete among the many entertainment choices that grow larger by the day.

XM Radio is committed to providing you with the highest quality audio entertainment and customer service available today. Read the XM Customer Promise at [xmradio.com/promise](http://xmradio.com/promise). In addition, if you have questions, information is available at [www.xmradio.com](http://www.xmradio.com) or you can contact the Listener Care team at 1-800-XMFiADIO.

Sincerely,

Hugh Panero  
CEO, XM Satellite Radio

**Forward Looking Statements**

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the benefits of the business combination transaction involving Sirius Satellite Radio Inc. and XM Satellite Radio Holdings Inc., including potential synergies and cost savings and the timing thereof, future financial and operating results, the combined company's plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "will," "should," "may," or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of Sirius and XM's management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond the control of Sirius and XM. Actual results may differ materially from the results anticipated in these forward-looking statements.

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